Form (2)

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21/9/2015

THE REPUBLIC OF THE UNION OF MYANMAR

The Myanmar Investment Commission

PERMIT

Permit No. 1013/2015 Date: 21st, September 2015

This Permit is issued by the Myanmar Investment Commission according to the section 13, sub-section (b) of the Republic of the Union of Myanmar Foreign Investment Law-

(a) Name of Investor/Promoter MR. YONG SING HSIEN

(b) Citizenship SINGAPOREAN

(c) Address 809, FRENCH ROAD, #05-164 KITCHENER COMPLEX, SINGAPORE, 200809

(d) Name and Address of Principal Organization SML (FAR EAST) PTE.LTD., 138, CECIL STREET, #06-01 CECIL COURT, SINGAPORE, 069538

(e) Place of incorporation SINGAPORE

(f) Type of Investment Business MANUFACTURING AND MARKETING OF LABELS AND TRIMS FOR GARMENTS

(g) Place(s) at which Investment is permitted PLOT NO. 83, MYAY TAING BLOCK NO. INDUSTRIAL ZONE (1), HLAING THAR YAR TOWNSHIP, YANGON REGION

(h) Amount of Foreign Capital US$ 1.012 MILLION

(i) Period for Foreign Capital brought in WITHIN ONE YEAR FROM THE DATE OF ISSUANCE OF MIC PERMIT

(j) Total amount of capital (Kyat) EQUIVALENT IN KYAT OF US$ 1.012 MILLION

(k) Construction period 1 YEAR

(l) Validity of investment Permit 10 YEARS

(m) Form of investment WHOLLY FOREIGN OWNED INVESTMENT

(n) Name of Company incorporated in Myanmar SIMON LABELS (SML) MYANMAR MANUFACTURING COMPANY LIMITED

Chairman

The Myanmar Investment Commission

ပုံစံ (၂)

ပြည်ထောင်စုသမ္မတမြန်မာနိုင်ငံတော်
မြန်မာနိုင်ငံ ရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်
ခွင့်ပြုမိန့်

ပြည်ထောင်စုသမ္မတမြန်မာနိုင်ငံတော် ★ မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင် ★
စာအမှတ် ၁၂၈၉-ည
ရက်စွဲ ၂၁/၈/၂၀၁၅

ခွင့်ပြုမိန့်အမှတ် ၁၀၁၃/ ၂၀၁၅ ၂၀၁၅ ခုနှစ် စက်တင်ဘာလ ၂၁ ရက်

ပြည်ထောင်စုသမ္မတ မြန်မာနိုင်ငံတော်နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု ဥပဒေ ပုဒ်မ ၁၃၊ ပုဒ်မခွဲ(ခ) အရ ဤခွင့်ပြုမိန့်ကို မြန်မာနိုင်ငံ ရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်က ထုတ်ပေးလိုက်သည် -

(က) ရင်းနှီးမြှုပ်နှံသူ/ ကမကထပြုသူအမည် MR. YONG SING HSIEN

(ခ) နိုင်ငံသား SINGAPOREAN

(ဂ) နေရပ်လိပ်စာ No. 809, FRENCH ROAD, #05-164 KITCHENER COMPLEX, SINGAPORE, 200809

(ဃ) ပင်မအဖွဲ့အစည်းအမည်နှင့်လိပ်စာ SML (FAR EAST) PTE.,LTD., 138, CECIL STREET, #06-01 CECIL COURT, SINGAPORE, 069538

(င) ဖွဲ့စည်းရာအရပ် SINGAPORE

(စ) ရင်းနှီးမြှုပ်နှံသည့်လုပ်ငန်းအမျိုးအစား အဝတ်အထည်များနှင့် သက်ဆိုင်သော အမှတ်တံဆိပ်များ ထုတ်လုပ်ရောင်းချခြင်းလုပ်ငန်း

(ဆ) ရင်းနှီးမြှုပ်နှံသည့်အရပ်ဒေသ(များ) အကွက်အမှတ်-၈၃၊ မြေတိုင်းရပ်ကွက်အမှတ်- စက်မှုဇုန်(၁)၊ လှိုင်သာယာမြို့နယ်၊ ရန်ကုန်တိုင်းဒေသကြီး

(ဇ) နိုင်ငံခြားမတည်ငွေရင်း ပမာဏ အမေရိကန်ဒေါ်လာ ၁.၀၁၂ သန်း

(ဈ) နိုင်ငံခြားမတည်ငွေရင်းယူဆောင်လာရမည့်ကာလ ကော်မရှင်ခွင့်ပြုမိန့်ရရှိပြီး ၁နှစ် အတွင်း

(ည) စုစုပေါင်း မတည်ငွေရင်းပမာဏ(ကျပ်) အမေရိကန်ဒေါ်လာ ၁.၀၁၂ သန်း နှင့် ညီမျှသော မြန်မာကျပ်ငွေ

(ဋ) တည်ဆောက်မှုကာလ ၁ နှစ်

(ဌ) ရင်းနှီးမြှုပ်နှံမှုခွင့်ပြုသည့် သက်တမ်း ၁၀ နှစ်

(ဍ) ရင်းနှီးမြှုပ်နှံမှုပုံစံ ရာခိုင်နှုန်းပြည့်နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု

(ဎ) မြန်မာနိုင်ငံတွင် ဖွဲ့စည်းမည့် ကုမ္ပဏီအမည် SIMON LABELS (SML) MYANMAR MANUFACTURING COMPANY LIMITED

ဥက္ကဋ္ဌ
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

THE REPUBLIC OF THE UNION OF MYANMAR
MYANMAR INVESTMENT COMMISSION
No.(1), THITSAR STREET, YANKIN TOWNSHIP, YANGON

Our ref : DICA-3/FI-1227/ 2015(၁၂၈၉-ဍ) Tel: 95-1-658128
Date : 21st September 2015 Fax: 95-1-658141

Subject : **Decision of the Myanmar Investment Commission on the Proposal for "Manufacturing and Marketing of Labels and Trims for Garments" under the name of Simon Labels(SML) Myanmar Manufacturing Company Limited.**

Reference: Simon Labels(SML) Myanmar Manufacturing Company Limited Letter dated 15-7-2015.

1. The Myanmar Investment Commission, at its meeting (16/2015) held on (11-9-2015), had approved that the proposal for investment in "Manufacturing and Marketing of Labels and Trims for Garments" under the name of "Simon Labels(SML) Myanmar Manufacturing Company Limited" submitted by SML (FAR EAST) PTE.,LTD.(99%) from Singapore and Mr. Ching Kam Tak(1%) from Peoples' Republic of China as a wholly foreign owned investment.

2. Hence, the "Permit" is herewith issued in accordance with Chapter VII, section 13(b) of the Foreign Investment Law and Chapter VIII, Rule 49 of the Foreign Investment Rules relating to the Foreign Investment Law. Terms and conditions to the "Permit" are stated in the following paragraphs.

3. The permitted duration of the project shall be 10 (ten) years and extendable for 10(ten) years commencing from the date of the issuance of Myanmar Investment Commission's permit. The lease term of land and building shall be 5 (five) years commencing from the date of signing of the Lease Agreement for Land and building by mutual agreement between Daw Set Yin (lessor) and Simon Labels(SML) Myanmar Manufacturing Company Limited (lessee) subject to the approval of Myanmar Investment Commission. At the expiry of the lease period, Simon Labels(SML) Myanmar Manufacturing Company Limited shall transfer the leased land, building and immovable properties without any payment or compensation, in a reasonably well-maintained conditions.

4. The annual rent for land and building shall be US$ 54,000.00 (United States Dollar fifty-four thousand only) for first year, US$ 58,320.00 (United States Dollar fifty-eight thousand, three hundred and twenty only) for second year, US$ 62,985.60 (United States Dollar sixty-two thousand, nine hundred and eighty-five and sixty cent only) for third year, US$ 69,284.16 (United States Dollar sixty-nine thousand two hundred and eighty-four and sixteen cent only) for fourth year, US$ 76,212.60 (United States Dollar seventy-six thousand two hundred and twelve and sixty cent only) for fifth year respectively measuring the total land and building area of 0.5464 acres (2211.2043 square meters).

5. In issuing this "Permit," the Commission has granted the following exemptions and reliefs as per Chapter XII, section 27(a),(h),(i)and(k) of the Foreign Investment Law. Other exemptions and reliefs under section 27 shall have to be applied upon the actual performance of the project;

(a) As per section 27(a), income tax exemption for a period of five consecutive years including the year of commencement on commercial operation;

(b) As per section 27(h), exemption or relief from customs duty or other internal taxes or both on machinery, equipment, instruments, machinery components, spare parts and materials used in the business which are imported as they are actually required for use during the period of construction of business;

(c) As per section 27(i), exemption or relief from customs duty or other internal taxes or both on raw materials imported for production for the first three-year after the completion of construction of business;

(d) As per section 27(k), exemption or relief from commercial tax on the goods produced for export.

6. Simon Labels(SML) Myanmar Manufacturing Company Limited shall have to sign the Land and Building Lease Agreements with Daw Set Yin. After signing the Agreement, (5) copies shall have to be forwarded to the Commission.

7. Simon Labels(SML) Myanmar Manufacturing Company Limited in consultation with the Department of Company Registration, Directorate of Investment and Company Administration shall have to be registered. After

registration, (5) copies each of Certificate of Incorporation, Memorandum of Association and Articles of Association shall have to be forwarded to the Commission.

8. Simon Labels(SML) Myanmar Manufacturing Company Limited shall use its best efforts for timely realization of works stated on the proposal. If none of such works has been commenced within one year from the date of issue of this "Permit", it shall become null and void.

9. Simon Labels(SML) Myanmar Manufacturing Company Limited has to abide by Chapter X, Rule 58 and 59 of the Foreign Investment Rules for construction period.

10. As per Chapter X, Rule 61 of the Foreign Investment Rules, extension of construction period shall not be allowed more than twice except it is due to unavoidable events such as natural disasters, instabilities, riots, strikes, emergency of State condition, insurgency and outbreak of wars.

11. As per Chapter X, Rule 63 of the Foreign Investment Rules, if Simon Labels (SML) Myanmar Manufacturing Company Limited cannot construct completely in time during the construction period or extension period, the Commission will have to withdraw the permit issued to the investor and there is no refund for the expenses of the project.

12. The commercial date of operation shall be reported to the Commission.

13. Simon Labels(SML) Myanmar Manufacturing Company Limited shall endeavour to meet the targets for production and export stated on the proposal as the minimum target.

14. The Commission approves periodical appointments of foreign experts and technicians from abroad as per proposal in accordance with Chapter XI, section 24 and section 25 of the Foreign Investment Law. Simon Labels(SML) Myanmar Manufacturing Company Limited has to follow the existing Labour Laws for the recruitment of staffs, labours and for training according to the Chapter XIII, Rule 84 of the Foreign Investment Rules.

15. In order to evaluate foreign capital and for the purpose of its registration in accordance with the provisions under Chapter XV, section 37 of the Foreign Investment Law, it is compulsory to report as early as possible

in the following manner:-

(a) the amount of foreign currency brought into Myanmar, attached with the necessary documents issued by the respective bank where the account is opened and defined under Chapter XVI, Rules 134 and 135 of the Foreign Investment Rules;

(b) the detailed lists of the type and value of foreign capital defined under Chapter I, section 2(i) of the Foreign Investment Law, other than foreign currency.

16. Whenever Simon Labels(SML) Myanmar Manufacturing Company Limited brings in foreign capital defined under Chapter I, section 2(i) of the Foreign Investment Law, other than foreign currency in the manner of paragraph 15(b) mentioned above, the Inspection Certificate endorsed and issued by an internationally recognized Inspection Firm with regard to quantity, quality and price of imported materials shall have to be attached.

17. Simon Labels(SML) Myanmar Manufacturing Company Limited has the right to make account transfer and expend the foreign currency from his bank account in accordance with Chapter XVI, Rule 136 of the Foreign Investment Rules and for account transfer of local currency generated from the business to the local currency account opened at the bank by a citizen-owned business in the Union and right to transfer back the equivalent amount of foreign currency from the foreign currency bank account of citizen or citizen-owned business by submitting the sufficient document in accordance with Chapter XVII, Rule 145 of the Foreign Investment Rules.

18. Simon Labels(SML) Myanmar Manufacturing Company Limited shall report to the Commission for any alteration in the physical and financial plan of the project. Cost overrun, over and above the investment amount pledged in both local and foreign currency shall have to be reported as early as possible.

19. Simon Labels(SML) Myanmar Manufacturing Company Limited shall be responsible for the preservation of the environment at and around the area of the project site. In addition to this, it shall carry out as per instructions made by Ministry of Environmental Conservation and Forestry in which to conduct Environmental Management Plan (EMP) which describe the

measure to be taken for preventing, mitigation and monitoring significant environmental impacts resulting from the implementation and operation of proposed project or business or activity has to be prepared and submitted and to perform activities in accordance with this EMP and to abide by the environmental policy, Environmental Conservation Law and other environmental related rules and regulations.

20. After getting permit from Myanmar Investment Commission, Simon Labels(SML) Myanmar Manufacturing Company Limited shall have to be registered at the Directorate of Industrial Supervision and Inspection.

21. Simon Labels(SML) Myanmar Manufacturing Company Limited shall have to abide by the Fire Services Department's rules, regulations, directives and instructions. Moreover, fire prevention measures shall have to undertake such as water storage tank, fire extinguishers and provide training to use the fire fighting equipment and appoint fire safety officer.

22. Payment of principal and interest of the loan (if any) as well as payment for import of raw materials and spare parts etc., shall only be made out of local sales of Simon Labels (SML) Myanmar Manufacturing Company Limited. Moreover, Simon Labels (SML) Myanmar Manufacturing Company Limited is prohibited from selling imported raw materials in local.

23. Simon Labels(SML) Myanmar Manufacturing Company Limited in consultation with Myanma Insurance shall effect such types of insurance defined under Chapter XII, Rule 79 and 80 of the Foreign Investment Rules.

(Zay Yar Aung)
Chairman

Simon Labels(SML) Myanmar Manufacturing Company Limited

cc:
1. Office of the Government of the Republic of the Union of Myanmar
2. Ministry of Home Affairs
3. Ministry of Foreign Affairs
4. Ministry of Environmental Conservation and Forestry
5. Ministry of Electric Power

5. Ministry of Electric Power
6. Ministry of Immigration and Population
7. Ministry of Industry
8. Ministry of Commerce
9. Ministry of Finance
10. Ministry of National Planning and Economic Development
11. Ministry of Labour, Employment and Social Security
12. Central Bank of Myanmar
13. Office of the Yangon Region Government
14. Director General, Directorate of Investment and Company Administration
15. Director General, Department of Urban and Housing Development
16. Director General, Directorate of Industrial Supervision and Inspection
17. Director General, Customs Department
18. Director General, Internal Revenue Department
19. Managing Director, Myanma Foreign Trade Bank
20. Managing Director, Myanma Investment and Commercial Bank
21. Managing Director, Myanma Insurance
22. Director General, Directorate of Trade
23. Director General, Immigration and National Registration Department
24. Director General, Directorate of Labour
25. Director General, Department of Environmental Conservation
26. Director General, Fire Services Department
27. Chairman, Republic of the Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI)